CHANDRASHEKHAR MURTHY): (a) The duty on agricultural machinery is as follows:—

(i) Hand tools of the kind used in agriculture attract customs duty at the rate of 33% ad valorem and countervailing duty at the rate of 15% ad valorem.

(ii) Machinery for soil preparation or cultivation; harvesting or thrashing machinery, including straw or fodder balers; grass or hay mowers; germination plants fitted with machanical or thermal equipments; machinery for cleaning, sorting and grading seeds, grains or dried leguminious vegetables attract customs duty at the rate of 23% ad valorem. The countervailing duty on these is Nil.

(iii) Tractors attract customs duty at the rate of 65% ad valorem. The countervailing duty on tractors of engine capacity below 1800cc is Nil while others attract 10% ad valorem.

(b) and (c) The duty structure helps in increasing the availability of domestic agricultural machinery and thus encourage their use in agriculture.

Functioning of Insurance Companies in Andhra Pradesh

6422. SHRI V. HANUMANTHA RAO: Will the Minister of FINANCE be pleased to state:

(a) what are the guidelines issued by Government to Insurance Companies on maintaining proper communication with policy holders;

(b) whether there is any proposal to monitor and check the public dealings of insurance companies in Andhra Pradesh; and

(c) what steps are proposed to be taken to set up a supervisory body to protect the interests of policy holders in Andhra Pradesh?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY): (a) and (b) The Government periodically reviews the existing procedures with a view to evolving new strategies for improving the customer services and redressing grievances of the policy holders. The insurance companies have in-built mechanisms for this' purpose. The Boards of the companies also review and give guidelines to the companies from time to time in this regard. The Government have advised the insurance companies to organise periodic seminars and workshops to create awareness for ensuring better service to the policy holders. In addition, the Department of Public Grievances and the Ministry of Finance also review specific grievances received from the policyholders among others from time to time with the in&urance companies to redress such grievances. All these measures are expected to ensure proper public dealings by the insurance companies all over the country including Andhra Pradesh.

(c) the Committee on Reforms in the Insurance Sector (CRIS) suggested setting up a Supervisory Body on the lines of SEBI. No decision has yet been taken by the Government on this recommendation.

Gujarat Urban Co-operative Banks to Invest in Narmada Project

6423. SHRI AHMED MOHMED BHAI PATEL: Will the Minister of FINANCE be pleased to state:

(a) whether the Gujarat Government has urged the Centre to grant permission to Gujarat Urban Co-operative Banks to invest funds in the Narmada project;

(b) if so, whether the Chief Minister

and the Industry Minister of Gujarat and made forceful pleas to him and the RBI Governor;

(c) if so, whether RBI has considered the proposal of the State Government;

(d) if so, whether Ministry of Finance has also given its approval; and

(e) if not, the main reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY): (a) to (e) A memorandum dated April 2, 1994 was submitted by the Chairman of Sardar Sarovar Narmada Nigam Ltd. (SSNNL) to the Governor, Reserve Bank of India (RBI) requesting for allowing Co-operative Banks to invest their surplus funds in the Bonds of SSNNL. Reserve Bank of India has reported that Gujarat Government under the powers vested with it under the provisions of Gujarat Co-operative Societies Act, 1961 can allow Urban Co-operative Banks (UCBs) in Gujarat to invest their funds in the form and manner as stipulated therein. However, RBI as a matter of banking policy has not permitted UCBs to invest in Narmada Project as the Bonds/ Debentures etc. issued by SSNNL are not reckoned as approved securities for the purpose of Section 24 of the Banking Regulation Act, 1949 (as applicable to Co-operative Societies).

International Fund for Agricultural Development

6424. SHRI SARADA MOHANTY:
SHRI SOM PAL:

Will the Minister of FINANCE be pleased to state:

(a) whether the International Fund for Agricultural Development (IFAD) provides aid to developing countries;

(b) if so, what is the mandate and structure of this organisation;

(c) in what manner India is associated with the institution;

(d) whether some talks on restructuring the institution and obtaining more funds from it are currently going on; and

(e) if so, what are the details thereof and how India is going to benefit out of these?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY): (a) Yes, Sir.

(b) and (c) IFAD is a specialised agency of the UN established to assist in increasing food production, reduction of malnutrition and alleviation of Poverty. IFAD's present membership consists of 145 countries classified into three categories of OECD, OPEC and Developing Countries. India has been a member of IFAD since its inception.

(d) and (e) A Special Committee has been established by IFAD in connection with the 4th Replenishment of its resources, to go into the issue of Replenishment and related governance issues. India has pledged its support to the ongoing replenishment exercise and also reiterated the need for taking up more projects in India. India is also a member of the Special Committee, the recommendations of which could result in a greater role for developing countries in IFAD's governance.

Tribunals for Recovery of Bank Loan

6425. SHRI SOM PAL: Will the Minister of FINANCE be pleased to state:

(a) the number of banks where recovery tribunals have been set up and by when the tribunals are planned to be set up in the remaining banks; and

(b) what will be the constitution of these tribunals and what are the details regarding their functioning and scope?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY): (a)